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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/750,362	12/31/2003	Michael Palumbo	ATT/2003-0254	4922

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EXAMINER	
PAIK, STEVE S	

ART UNIT	PAPER NUMBER
2876	

DATE MAILED: 07/28/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	10/750,362	PALUMBO ET AL.	
	Examiner	Art Unit	
	Steven S. Paik	2876	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *09 May 2005*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-20* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-20* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on *31 December 2003* is/are: a)☒ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date *2/9/05*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Response to Amendment

1. Receipt is acknowledged of the Amendment filed May 9, 2005.

Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

3. Claims 1-4, 7, and 10-20 are rejected under 35 U.S.C. 102(b) as being anticipated by Hodes (US 2002/0088855 A1).

Re claims 1, 7, 10, 11, and 17-20, Hodes discloses a method and system of a point-of-sale activated download package with data-encoded magnetic strip and related item or items. Once purchased, the Personal Identification Number ("PIN") or PINs associated with the encoded data are activated. The owner or purchaser of the then-activated PIN (unique identification information associated with a package) or PINs, by accessing an appropriate device (kiosk or POS terminal; Figs. 89-95) or website and providing the active PIN or PINs and other required information, then receives access to access codes, keys, goods and services, or software program (prepaid digital content) or files authorized and delivered after registration. Once received, the data or information allows the full value or use of the product purchased. This packaged card and related products provide a delivery system that allows inactive product sales, prepaid authorized delivery of licensed software programs, digital information, and/or goods and services provided over the Internet, satellite communications, cable, fiber optics and all means of

communications available today. Hodes further provides an encoded magnetic strip, a barcode, or smart chip, any of which can be read by an appropriate device at point of purchase. The smart chip technologies are well known and can include programmed information that is either random-access memory or read-only memory, or both. The smart chips are attached or embedded into the plastic card and can be read, or information provided, with an appropriate device. An appropriate device or devices reads the magnetic strip, chip or barcode at point of purchase and transmits to a platform or facility the provided control number and/or other data related to the PIN or PINs and/or associated with the smart chip. Once transmitted, the control number(s) or data related to the PIN or PINs are activated at the platform or facility (activating a prepaid digital content medium). The receipt of the transaction is then sent to the verification or authorization entity (verification step is completed at the verification/authorization entity). The transaction is verification that the purchase has taken place and that the smart chip, goods or services are available for use or delivery. Once authorized, the downloaded or delivered information, software file, programs or codes are delivered by a facility and transmitted by a communications device. The information sent is then received by a device that allows the use of the goods or services purchased.

Re claim 2, Hodes discloses the method as recited in rejected claim 1 stated above wherein said receiving step comprises:

receiving a digital signal comprising a serial number and personal identification number associated with said PDCM (A PIN number has a predetermined sequential control number with direct one-to-one relationship to an account. The control number can be encoded in the

magnetic strip or in a bar code on the card or related components, and this additional step can be used as a means of encrypting the PIN account number; see [0075] and [0083]).

Re claim 3, Hodes discloses the method as recited in rejected claim 1 stated above wherein said activating step comprises:

comparing said received identification information to identification information stored in a database; and in response to said received and stored identification information matching, providing an indicia of activation for said PDCM ([0105]-[0110] and [0117]).

Re claim 4, Hodes discloses the method as recited in rejected claim 3 stated above wherein said activating step further comprises:

determining whether said PDCM has been purchased by a consumer; and

providing indicia of purchase associated with said PDCM (Hodes' invention utilizes a magnetic strip, and/or a barcode or codes and/or chip or chips, all of which provide information to appropriate devices at the point of purchase for activation and/or deliver of good and services.).

Re claim 12, Hodes discloses the system as recited in rejected claim 11 stated above, wherein said PDCM comprises a card having a magnetic strip (Fig. 5).

Re claim 13, Hodes discloses the system as recited in rejected claim 12 stated above, wherein said PDCM consumer distributor further comprises a PDCM scanning device, said PDCM scanning device being capable of sending said unique identification information of said PDCM to said authentication service provider (As disclosed above, Hodes provides an encoded magnetic strip, a barcode, or smart chip, any of which can be read by an appropriate device at

point of purchase. In case of a barcode, it is inherent to comprise an optical scanning device to process the encoded information within a barcode).

Re claim 14, Hodes discloses the system as recited in rejected claim 11 stated above, wherein said identification information of said PDCM comprises a serial number and a personal identification number (A PIN number has a predetermined sequential control number with direct one-to-one relationship to an account. The control number can be encoded in the magnetic strip or in a bar code on the card or related components, and this additional step can be used as a means of encrypting the PIN account number; see [0075] and [0083]).

Re claim 15, Hodes discloses the system as recited in rejected claim 11 stated above, wherein said digital content provider comprises:

a web server (Fig. 96);

a storage device coupled to said web server, said storage device comprising digital content associated with said PDCM ([0068]).

Re claim 16, Hodes discloses the system as recited in rejected claim 15 stated above, wherein said digital content provider further comprises:

an authentication, authorization, and accounting (AAA) server (Figs89-96) coupled to said storage device; and

a PDCM database stored in said storage device ([0068]).

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person

having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

5. Claims 5, 6, 8 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hodes (US 2002/0088855 A1) in view of Petit et al. (US 2002/0082916 A1).

The teachings of Hodes have been fully discussed above with the exception of recited step of rejecting activation from a consumer distributor wherein said received and stored identification mismatches and said PDCM has not been purchased by a consumer. Hodes also fails to explicitly disclose the step of sending a notice of non-activation of said PDCM.

Petit et al. disclose a method and a kiosk for managing access to goods and services available via a computer network. A list of identifiers is created. Each identifier is associated with at least one service of a merchant. Tickets are distributed to customers. Access to a service is authorized upon recognition of an identifier on a ticket. The kiosk comprises a generator for generating a list of identifiers, a supervisor that associates an identifier with at least one service of a merchant, a database of tickets to which the identifier has been applied, and a controller for checking the identifier. Petit et al. further disclose another aspect of the invention that is directed to a kiosk for managing access to goods and/or services available via a computer network, offered by merchants and aimed at customers. The kiosk includes a generator for generating a list of identifiers, and a supervisor, which associates an identifier with at least one goods, and/or service of a merchant. A database for tickets is created based on an identifier and intended for customers. A controller is provided for checking the identifier supplied by a customer to access the goods and/or services.

Accordingly, the invention, which relates to managing access to goods and/or services available via a computer network, enables merchants to offer their goods and/or services to the

customers, subject to the customers supplying respective identifiers. Each of the goods and/or services of a merchant is associated by the kiosk with known identifiers. To gain access thereto, a customer supplies an identifier to the kiosk controller and the controller authorizes the customer to access the service of the merchant if it recognizes the identifier. The customer receives from a distributor, in exchange for remuneration in kind or in cash, an identifier that has been associated with one or more goods and/or services by the supervisor that is part of the kiosk. In the event of a shipping problem, the merchant instructs the kiosk to re-credit the customer's account. The examiner interprets this re-crediting process as one forms of informing a customer about non-activation process.

In view of Petit et al., it would have been obvious to an artisan of ordinary skill in the art at the time the invention was made to further a step of rejecting activation and sending a notice of non-activation in addition to method and system for point of sale activation for software and metered accounts of Hodes due to the fact that digital contents can be more securely delivered/downloaded to an authenticated consumer for the purposes of minimizing loss of revenue caused by fraudulent and tampered activities of unauthenticated individuals.

Response to Arguments

6. Applicant's arguments, see pages 2-9, filed May 9, 2005, with respect to claims 1-20 have been fully considered and are persuasive. The rejection of claims 1-20 has been withdrawn. The examiner presents a new ground of rejections under 35 U.S.C. § 102(b) and 103(a). Accordingly, this Office Action is non-final.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Steven S. Paik whose telephone number is 571-272-2404. The examiner can normally be reached on Mon - Fri (5:30am-2:00pm).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on 571-272-2398. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Steven S. Paik
Primary Examiner
Art Unit 2876

ssp